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SUBJECT: ELECTRICITY ISSUES IN BASRAH

REF: A. BASRAH 077
[1](#)B. BAGHDAD 2757

[1](#)1. (SBU) Summary: REO Discussions with a wide range of contacts revealed an intermittent supply of 8 to 9 hours of grid electricity per day for Basrah, with ever rising demand. Single family or neighborhood for-profit generators are common, as is theft from grid lines. The lack of consumer billing provides no incentive to reduce demand. Basrah's refusal to cut load may be rooted in historical distrust of Baghdad. Generator fuel availability is insufficient. PRT and Army Corps of Engineers projects are helping to improve the system, but long-term maintenance deficiencies are troubling. Oil field generators have excess capacity that could be tapped. End Summary.

[1](#)2. (SBU) Electricity generation in Basrah is insufficient and demand continues to rise. To obtain information for this cable, REO officers talked with Basrah University professors, Provincial Council members, Provincial officials, political party contacts, sheiks and clerics. The answers were surprisingly uniform. It is still dangerous for Coalition-related foreigners to travel outside the Basrah Air Station, so it is difficult to verify oral reports.

[1](#)3. (U) By uniform accounts, grid electricity is on for a pattern of two hours at a time, followed by four hours of no electricity. (One contact reported three hours on, three hours off.) This pattern is counterproductive for general business activity and certainly for state-owned industries such as water and sewage systems. In poor neighborhoods, it is common for a wealthier person to own a generator with which he sells electricity to his neighbors. It is commonly reported that everyone who can afford a generator owns one. All of our contacts with whom we spoke have their own generators and noted that a frequent problem was insufficient generator fuel.

[1](#)4. (U) Splicing into grid electric lines to draw off electricity is common. Contacts noted that even if police were to arrest someone for theft of electricity -- which never happens -- the judicial system would not punish him. Some politicians were nostalgic for Saddam Hussein's regime because of its absence of crime; if a person were caught stealing electricity, he was executed. Most commentators reported that consumer electricity during Saddam's regime was about the same as now: 2 hours on and 4 off.

[1](#)5. (U) The Basrah Electricity Authority has a billing process for electricity consumption, but it is not in use. Although there is new home and business construction in Basrah, there is no active system to sign up (for fee) new users. (Note: The Basra PRT and Army Corps of Engineers recently conducted a workshop to improve management of electricity and other infrastructure, reported Septel. End Note.) While hard to quantify, it was universally reported that consumption of

electricity has increased manifold and continues to increase. Where people had one air conditioner or fan, they now have six. People that had a radio in their house now have satellite television. (Note: Some USG experts in Basrah note that the commonly reported demand in the province for electricity, 1200mw, would probably be around 900 if electricity was metered and people had to pay for it. Conversely, if supply increased, demand would simply increase even faster as there is still plenty demand for air conditioners and other consumer items. End Note.)

¶6. Basrah substation managers are refusing at times to comply with directions from the Ministry of Electricity (ME) to shed load, it was commonly acknowledged. Some commentators noting that militia forces threaten substation managers into not reducing Basrah load when directed. Many noted a historic suspicion of Basrawis towards Baghdad, rooted in the common perception that Basrah had always produced power for the national system while the needs of the people in the populous province were not met. Under Saddam's regime, if a substation manager had withheld electricity, he would have been executed. With little law enforcement in Al-Basrah, it was not surprising to many commentators that local managers would withhold electricity now that they could get away with it.

¶7. (SBU) Governor Muhammed Wa'eli, in an August 30 REO meeting (Ref A), claimed that Basrah produces 7-800 Mw, with half of that powering the oil facilities and ports - leaving only around 450mw for Basrah. He agreed that electricity consumption in Basrah has increased due to a higher job growth rate than other provinces and increasing use of appliances. Wa'eli suggested forming a committee to survey electrical consumption in order to demonstrate to Baghdad the increased Basrah demand.

¶8. (SBU) Discussions with private contractors that have worked on electricity generation noted that oil production facilities

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have been withholding electricity from the national grid. In one account, contractors involved in installing generation capacity for oil fields (to power their own operations) had excess capacity built in to feed that excess to the national grid. The contractors wanted to test the designed maximum load, since the oil facilities would only need a fraction of the load. The site managers would not allow this for fear that the central government would learn that there was excess generation capacity and it would all be taken for Baghdad.

¶9. (SBU) USG programs to improve generation are numerous and largely successful, but fuel supply and maintenance are obstacles. The U.S. Army Corps of Engineers has a number of substation projects in the province, and the Basra PRT is financing a \$11.2 million 132kV Power Feeder cable. All projects face an important limitation that U.S. citizens cannot visit the projects due to threats from militias; however the PRT and ACE have noted that they have good Iraqi engineers who supervise projects and use digital imaging to assess progress.

¶10. (SBU) The greater problem is lack of maintenance once these projects are finished; in all discussions, including with Basrawis, it was noted that Basrawis are not planning for, budgeting for or executing maintenance for sophisticated machinery. Electric transmission lines, while not suffering from much sabotage in Basrah, do suffer from lack of regular maintenance. Other commentators have noted the generators built in 2003 and 2004 -- of a type quickly built but short-lived -- were now wearing out. A recent workshop (Septel) by the Basrah PRT and ACE to train politicians, technical directors and academics in electricity system management should help to meet electricity needs in Basrah.

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